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August 5, 2008

VIA E-MAIL AND HAND DELIVERY

Mr. David Danner, Executive Director and Secretary Washington Utilities and Transportation Commission 1300 South Evergreen Park Drive SW Olympia, WA 98504-7250

Re: Docket No. UT-053041 - Response to ICS Motion to Compel WITA

and Inland to Respond to Data Requests

Dear Mr. Danner:

Enclosed are the original and two copies of the Response to ICS Motion to Compel WITA and Inland to Respond to Data Requests together with the Certificate of Service.

// //

RICHARD A. FINNIGAN

RAF/km Enclosures

cc: Service List (via e-mail and/or U.S. mail)

ALJ Ann Rendahl (via e-mail and hand delivery)

ALJ Marguerite Russell (via e-mail and hand delivery)

Clients (via e-mail)

BEFORE THE WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Petition of

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For Designation as Eligible

Intelligent Community Services, Inc.

Telecommunications Carrier Under

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47 U.S.C. §214(e)(2)

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DOCKET NO. UT-053041

RESPONSE TO ICS MOTION TO COMPEL WITA AND INLAND TO RESPOND TO DATA REQUESTS

The Washington Independent Telecommunications Association ("WITA") and Inland Telephone Company ("Inland") hereby respond to the motion filed by Intelligent Community Services, Inc. ("ICS") to compel WITA and Inland to respond to certain data requests.

INTRODUCTORY COMMENTS

It is interesting to see how ICS characterizes this case. ICS states the premise for its data requests and the motion to compel as follows:

WITA and Inland have taken the position that ICS's petition for designation as an eligible telecommunications carrier ("ETC") is not in the public interest because ICS currently is the only land line telecommunications carrier that the owner of Suncadia Resort has authorized to provide services to residents in the resort area.

Motion to Compel at ¶2. This is a very incomplete statement of the position advanced by WITA and Inland. Because it is incomplete, it is a misleading characterization of WITA and Inland's

RESPONSE TO ICS MOTION TO COMPEL WITA AND INLAND TO RESPOND TO DATA REQUESTS - 1

position. For example, Inland has always sought direct access to the customers in Suncadia using its own facilities. See, generally, Exhibit No. ____ (JPC-2) to Mr. Coonan's pre-filed Direct Testimony. However, Suncadia has prevented any carrier from building facilities within the Suncadia Resort. Further, Inland and WITA oppose the ICS Petition not just on public interest grounds, but on the grounds that it fails to meet the Commission's rules as well. In addition, there are multiple public interest reasons why WITA and Inland oppose the Petition filed by ICS.

From this misleading characterization, ICS then states that whether WITA members, including Inland, are the only land line carriers that provide basic telecommunications service to multiple tenant environments ("MTEs") in their service territories is directly related to the issue of whether it is in the public interest to designate ICS as an eligible telecommunications carrier ("ETC") to receive universal fund support. ICS goes on to state "The requested information is also relevant to the issue of whether it would be discriminatory to deny ETC status to ICS because it is the only land line carrier that Suncadia is permitted to have physical access to Suncadia's fiber network when WITA members receive universal service funds for being the sole land line service providers to MTEs in their service territories." ICS Motion to Compel at ¶2.

It is difficult to discern whether ICS is stating one issue or two. Assuming that there are two issues, the first one apparently is a syllogism that ICS is attempting to create that runs as follows:

- A. WITA members are the only land line carriers that serve some multiple tenant environments in their service territory.
- B. ICS is the only land line carrier serving the MTE known as Suncadia.
- C. WITA members receive universal service fund support.
- D. Therefore, ICS should receive universal service fund support.

This is a logical non-sequitur. There is no logical reason why Point A leads to Point D. The issue is a red herring.

The second issue is stated as one of discrimination against ICS. It is important to note that the discrimination issue is not on the Issues List. Further, ICS did not address either of these issues,

RESPONSE TO ICS MOTION TO COMPEL WITA AND INLAND TO RESPOND TO DATA REQUESTS - 2

mobile radio service providers; and

tenant environment.

customers within that multi-tenant environment other than commercial

Whether the WITA member receives universal service funding for its

ICS states that WITA and Inland objected to this request as burdensome, among other

reasons. ICS then states "WITA and Inland, moreover, have provided no explanation of why the

provision of telecommunications service to customers within that multi-

RESPONSE TO ICS MOTION TO COMPEL
WITA AND INLAND TO RESPOND TO DATA

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REQUESTS - 3

RESPONSE TO ICS MOTION TO COMPEL WITA AND INLAND TO RESPOND TO DATA REQUESTS - 4

requested information would be burdensome for each WITA member to produce." ICS Motion to Compel at ¶5. ICS fails to disclose to the Commission that when counsel conferred, counsel for WITA and Inland described why this request would be burdensome. See, Mr. Finnigan's Declaration attached hereto as Exhibit 1. It is misleading, to say the very least, to state that WITA and Inland provided no explanation of why the requested information is burdensome.

Before proceeding further on the issue of why the data request is burdensome, there is a threshold issue that must be addressed. The data request is directed to WITA members. Other than Inland, WITA members are not parties to this proceeding. There is a very important and very difficult question to address concerning whether and to what extent members of an association that has appeared in a docket can be compelled to respond to data requests as non-parties.

By analogy, if TRACER had intervened in this docket, ICS may well have propounded data requests requiring TRACER members to disclose whether or not they are in MTEs and produce their leases and other financial information concerning their arrangements. Would Boeing, Safeco and other TRACER members be compelled to respond? WITA asserts that individual members of an association who are not themselves parties to a docket cannot be compelled to respond to data requests. WITA has found no authority, and ICS offers none, that association members who are not parties are required to respond to data requests.

However, this issue does not have to be reached since this data request is indeed burdensome. As explained to counsel for ICS when counsel conferred, the information that is requested is not maintained by WITA members in any readily assessable format. There is no customer class called MTE and assessable records are not kept by an MTE status. This data request would force WITA members to try to make guesses as to whether a particular location, if it can even be done by comparing billing records, serves more than one customer. Or, in the alternative, the WITA members would have to go out and survey each of their entire service areas to determine

RESPONSE TO ICS MOTION TO COMPEL WITA AND INLAND TO RESPOND TO DATA REQUESTS - 5

whether there are MTEs. For CenturyTel, for example, this would be an impossible task.

Obviously, the smaller the company, the more readily that physical survey can occur. However, this still requires a special study and, hence, by definition is burdensome. It would require time away from serving the public to perform this special study.

It should also be noted that the FCC has long precluded exclusive arrangements in the MTE environment for business services.² Further, the FCC has recently extended that prohibition of exclusive arrangements in multi-tenant environments to residential MTEs.³ Thus, any arrangement that would be said to exist that is in contractual form is not enforceable. When this was explained to counsel for ICS, he replied that ICS sought information about the locations where physically only one carrier could serve, whether there was an agreement or not. See, Mr. Finnigan's Declaration. That step would require a location-by-location physical inspection -- an extremely burdensome undertaking.

Given that any exclusive agreement between WITA members and the owner of an MTE is not legally enforceable, there is no meaningful data that can be produced. The legal status of MTE agreements, apparently to ICS, differs from the contractual arrangement between ICS and Suncadia LLC. At least ICS and Suncadia LLC are behaving as if their agreement is still enforceable. On the other hand, any exclusive arrangements with a WITA member and the owner of an MTE (if one exists – which is doubtful) is unenforceable. It is meaningless. Given the difference in

¹ On a relative size basis, the data request is still burdensome for small companies. The smaller the company, the smaller the staff.

³ <u>In the Matter of Promotion of Competitive Networks in Local Telecommunications Markets,</u> WT Docket No. 99-217 <u>Report and Order,</u> FCC 08-87 (released March 21, 2008).

² In the Matter of Promotion of Competitive Networks in Local Telecommunications Markets; Implementation of the Local Competition Provisions of the Telecommunications Act of 1996, WT Docket No. 99-217; CC Docket No. 96-98, First Report and Order and Further Notice of Proposed Rulemaking in WT Docket No. 99-217 and Fifth Report and Order and Memorandum Opinion and Order in CC Docket No. 96-98, FCC 00-366 (released Oct. 25, 2000).

³ In the Matter of Promotion of Competitive Networks in Local Telecommunications Markets, WT Docket No. 99-217,

environments, it is not feasible that any information provided by a WITA member could lead to evidence that would be admissible or useful at hearing.

Further, WITA notes that subsection c of the data request requires a copy of any written agreement that a WITA member might have with the person or entity that owns the MTE or the common areas of the MTE. WITA has informed ICS in the context of at least one of the date requests propounded by ICS that any written agreement between a WITA member and a customer related to service is required by law to be filed with the Commission. See, RCW 80.36.150. Thus, the information sought by ICS is as readily available to ICS as it is to any other entity, including WITA members. This was a further basis stated in objection to the data request by incorporation of the General Objections. ICS fails to discuss this point in its motion.

WITA also notes that Data Request 2.d. would require WITA members to identify any other carrier providing telecommunications service to customers within the MTE other than CMRS providers. In this context, the data request is ambiguous and may be impossible to respond to. It is ambiguous because there is no definition of the term "carrier." Are Vonage, Skype and other providers of IP-based telephony within the definition of "carrier"? WITA and its members have absolutely no way of ascertaining whether an entity in an MTE is using service from Vonage, Skype or a host of other such arrangements.

For all of the reasons set forth above, the data request is inappropriate and a response should not be required.

Data Request 3

3. Other than in the Suncadia resort area in the Roslyn exchange, is any carrier other than a WITA member the exclusive or primary provider of telecommunications service to customers in a multi-tenant environment located in any area served by a WITA member, including but not limited to a resort area, private subdivision or community, condominium or condominium complex, apartment building or complex, office building or complex, office park, school dormitory, or shopping

RESPONSE TO ICS MOTION TO COMPEL WITA AND INLAND TO RESPOND TO DATA REQUESTS - 6

center? If so, please provide the following information for each such multi-tenant environment:

- a. The name of the WITA member in whose service territory the multi-tenant environment is located;
- b. The identity of the multi-tenant environment;
- c. The identify of the carrier other than the WITA member that is the exclusive or primary provider of telecommunications service to customers in that multitenant environment; and
- d. A description of how the WITA member in whose service territory the multitenant environment is located obtains access to customers in that environment in order to provide telecommunications service, or an explanation of why the WITA member does not have such access.

ICS describes this data request as the mirror image of Data Request 2. It is seeking information about MTEs served "primarily" by carriers other than a WITA member. Again, ICS alleges "nor has WITA made any effort to demonstrate that identifying and providing information about such circumstances, to the extent they exist, would be burdensome." ICS Motion to Compel at ¶6. Again, that is not correct. This data request was not discussed directly when counsel conferred. However, for the reasons that were provided concerning Data Request 2 when the parties conferred, it is obvious that this request would require a special study. WITA members do not track service by an MTE designation. Nor, do WITA members track areas that they do not serve. Thus, if, for example, a landlord had switched service to Comcast, knowledge of that fact would probably depend up on the institutional memory of the individuals that work for the WITA member company, as opposed to being able to access the information from any data base. Requiring that sort of special study is inappropriate.

RESPONSE TO ICS MOTION TO COMPEL WITA AND INLAND TO RESPOND TO DATA REQUESTS - 7

Again, WITA's position is that WITA members cannot be compelled to respond to data requests for the same reasons set out in response to Data Request 2. However, again, that issue does not need to be reached here.

Further, as pointed out above, the FCC has prohibited exclusive arrangements of the nature that ICS seeks to find. Therefore, there would not be any useful information that would be provided in response to this data request since the relationship between ICS and Suncadia, at least as ICS apparently views it, is not the same as the typical MTE environment. However, it is interesting to consider whether the ICS/Suncadia arrangement, in fact, violates the terms of the FCC's orders.

Further, this data request is vague and ambiguous because there is no definition of what constitutes the "primary provider of telecommunications service." Does this mean more than fifty percent? Does it mean less than all? The lack of clarity only complicates the work that would have to be undertaken in any effort to respond to such data request.

WITA asserts that the data request is inappropriate and a response should not be compelled.

Data Request 5

Has WITA ever not opposed any carrier's petition for designation as a competitive eligible telecommunications carrier in Washington? If so, please identify the carrier, the docket number of the proceeding, and an explanation of WITA's position on that petition.

This is indeed a novel data request. ICS asserts that if WITA has, in fact, opposed all petitions for designation of competitive ETC status, WITA's position in this docket somehow lacks credibility.⁴ This is a very strange take on the right of a party to participate in Commission proceedings. What ICS is suggesting is that if a party has appeared in a prior proceeding and taken

⁴ ICS Motion to Compel at ¶7.

position "XYZ," if it wants to take that same position in a subsequent docket, somehow that participation in the subsequent docket is less credible or is somehow tainted. To even begin to tread down that path would be a terrible step towards inhibiting First Amendment rights and due process rights under the Fourteenth Amendment.

Not that the theory advanced by ICS has any substance, but if it did, it is worth noting that Staff agrees with WITA that ICS's petition is not in the public interest. Are WITA and Staff not credible because they agree with one another?

Beyond that, this data request is clearly burdensome. What this data request would require WITA to do is to search its archives back to 1996 and then compare those archives with all Commission filings from 1996 forward to determine whether or not those dockets in which WITA has appeared constitute all of the dockets involved.

Further, since these are public Commission dockets, any filing by WITA would be filed with the Commission. Thus, the records are as readily available to ICS as they are to WITA.

Particularly in light of the stated reason for ICS propounding the data request, that it somehow wants to inhibit WITA's ability to participate in Commission proceedings, this data request is inappropriate and a response should not be compelled.

Data Request 9

Does Inland Telephone Company own utility poles or conduit in the Roslyn exchange? If so, does or will Inland permit other carriers to attach facilities to those poles or in those conduits? If so, please provide a copy of the rates, terms and conditions under which Inland offers or is willing to provide such attachments.

ICS offers the following rationale for this data request: "ICS has requested information about whether Inland owns telecommunication infrastructure that ICS needs to access in order to construct network facilities in the remainder of the Roslyn exchange, and if so, extent to which

RESPONSE TO ICS MOTION TO COMPEL WITA AND INLAND TO RESPOND TO DATA REQUESTS - 9

Inland will provide access to that infrastructure." ICS Motion to Compel at ¶8. This statement is hypocritical in the extreme.

First, ICS objected to certain data requests propounded by Inland on the theory that Inland was trying to use the docket inappropriately to negotiate terms and conditions of interconnection.⁵ However, ICS admits that it is doing the exact thing that it objected to. The hypocrisy of ICS's statement is further underscored by the fact that ICS has never requested access to Inland's poles and conduits. In the negotiations that are now underway, the only items that ICS has requested, as a practical matter are resale, dialing parity and number portability. The letter from ICS requesting negotiations and Inland's response are attached to Mr. Finnigan's Declaration. In the May 5, 2008, letter from ICS to Inland, ICS requested the following: "Section 251(a) interconnection; Section 251(b)(1) resale; Section 251(b)(2) number portability; Section 251(b)(3) dialing parity, including directory listings; Section 251(b)(5) reciprocal compensation; and 911/E911 connectivity." ICS expressly excludes Section 251(b)(4), which is access to poles, ducts, conduits, and rights-of-way. ICS has blatantly mischaracterized what has occurred.

At best, ICS's argument is disingenuous. A more correct characterization of ICS's argument is that it is a fabrication for ICS to assert or imply that ICS has requested access to Inland's poles and conduits. The stated basis for the data request has no tie to reality, but is simply a tactical ploy for purposes of this docket.

As Inland pointed out in its response to the data request, Inland Telephone Company has not received a request from any telecommunications carrier for access to attach facilities to poles or to place facilities in conduit. In absence of such a request, Inland does not have rates, terms and

⁵ That was not a correct characterization of Inland's actions.

conditions for access. Thus, it would be pure speculation and require a special study for Inland to develop such rates, terms and conditions to respond to the hypothetical raised by ICS.

Data Request 11

Is Inland Telephone Company willing to provide other carriers with access, on any basis other than purchase or resale of tariffed telecommunications services, to any fiber optic or other telecommunications network facilities that Inland has deployed in the Roslyn exchange? If not, please explain why not. If so, please provide the rates, terms and conditions under which Inland is willing to provide such access.

As with Data Request 9, because Inland has not received a request for access to its fiber, this question calls for Inland to speculate. It is also a hypothetical not supported by evidence in the record or that could possibly be produced to be placed into the record. What Inland will be willing to do at some point in the future is entirely dependent upon the rules that apply at that point in time, the nature of the carrier making the request, the extent of the request and what it entails, and a myriad of other factors that are not before the Commission at this time.

ICS again continues to mischaracterize the record. ICS states "As a factual matter, Inland has invoked its exemption as a rural local exchange carrier in discussions with ICS and stated that it will not negotiate terms and conditions for requirements other than those in Section 251(a) and (b) of the Telecommunications Act of 1996, which do not include unbundled access to Inland's network." ICS Motion to Compel at ¶10. That is not factually correct. What Inland did in its response to ICS's request for interconnection is note that Inland does, indeed, qualify as a rural telephone company for purposes of the exemption from 251(c) obligations, but further noted that ICS had not requested anything other than Section 251(a) or 251(b) matters, and therefore the rural exemption was not an issue. That is a far cry from "invoking" the exemption. This is precisely

⁶ Inland did reserve the possibility that the rural exemption could be raised if ICS sought arbitration. This reservation of legal rights is far different from stating it will not negotiate.

RESPONSE TO ICS MOTION TO COMPEL WITA AND INLAND TO RESPOND TO DATA REQUESTS - 12

what Inland stated: "Since your letter clearly requests only items under Section 251(a) and Section 251(b), Inland's rural exemption should not be at issue, unless and until ICS asserts that it may seek arbitration under Section 252 of the Act." Clarifying that the exemption does not apply to the discussions is much different than "invoking" that exemption in the discussions with ICS. The extent to which ICS misstates facts is very disappointing.

As with access to conduit and poles, ICS has never requested access to Inland's fiber. As stated in Mr. Finnigan's Declaration, that item has never been mentioned in any discussions that the parties have had.

ICS states that Inland cannot object to the data request as speculative "when Inland refuses to negotiate such access." ICS Motion to Compel at ¶10. That is, as explained above, factually inaccurate. Since no carrier has asked to negotiate such access, Inland can not be said to have refused to negotiate.

What is important to keep in mind is that Inland sought access to the Suncadia customers directly. Suncadia came up with the means to prevent that access. In the reverse situation, Inland has no control over the rights-of-way in the Roslyn exchange. ICS is free to use those rights-of-way, assuming they enter into a straightforward and commonplace franchise agreement with the City of Roslyn. The situations are not anywhere close to being analogous. Further, we now know through Suncadia's compelled response to WITA's data requests, that Suncadia will never allow Inland or any other carrier equivalent access to its fiber that ICS enjoys. The only access is the much inferior form of resale. See, the response to Data Request 1, WITA First Set of Data Requests, attached as Exhibit 2. With Suncadia having made its position clear, the terms and conditions under which Inland will or will not allow access to its fiber under a hypothetical situation

⁷ May 6, 2008, letter from Inland to ICS attached to Mr. Finnigan's Declaration.

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RESPONSE TO ICS MOTION TO COMPEL WITA AND INLAND TO RESPOND TO DATA REQUESTS - 13

of some unknown, future, undefined request are simply not at issue in this proceeding.

Further, as noted above, any response would require Inland to perform a special study to develop terms and conditions it does not now possess.

Data Request 12

Does any WITA member other than Inland Telephone Company offer or provide other carriers with access, on any basis other than purchase or resale of finished telecommunications services, to any fiber optic or other telecommunications network facilities that the WITA member has deployed in its service territory? If not, please explain why not. If so, please provide the rates, terms and conditions under which the WITA member offers or provides such access.

For all the reasons stated in response to Data Request 11, the response to this data request should not be compelled.

Further, WITA reasserts the arguments it made in response to Data Request 2 concerning whether WITA's members can even be compelled to respond to such a request as non-parties.

Again, however, that issue need not be reached.

As WITA pointed out in its response to the data request to ICS, if there are any agreements that are entered into between WITA members and other competitive local exchange carriers (and there are), those agreements are on file with the Commission and are equally, perhaps more readily, available to ICS from the Commission than requiring WITA to canvas each of its members and try to derive the information that may be responsive to the data request. The information is equally available to ICS. Quite frankly, ICS's statement that WITA members are in a far better position than ICS to know whether or under what terms they offer or provide competitors with access to their networks is just not true. For companies as large as Embarq and CenturyTel that have many such agreements, it is highly unlikely that they have each such agreement memorized, if you will. They would have to access the agreements in precisely the same way that ICS can access them through the Commission.

The Commission's own records will show many interconnection agreements exist. The extent to which they involve access to fiber optic or other telecommunications network facilities would have to be determined by reviewing every one of those agreements. This would be a monumental task and one ICS can perform for its own benefit.

Finally, WITA again finds it highly offensive that ICS would make a statement that "given that as far as ICS knows, all WITA members take the same position as Inland and refuse to negotiate such access." ICS Motion to Compel at ¶11. ICS has no basis in fact for this statement. ICS is making statements that it has no basis to make and are not founded on any factual showing. ICS should not be rewarded for mischaracterizing the real situation and making false statements.

Respectfully submitted this 5th day of August, 2008.

RICHARD A. FINNIGAN, WSB #6443 Attorney for the Washington Independent Telecommunications Association

RESPONSE TO ICS MOTION TO COMPEL WITA AND INLAND TO RESPOND TO DATA REQUESTS - 14

EXHIBIT 1

UTILITIES AND TRANSPORTATION COMMISSION

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DECLARATION OF RICHARD A. FINNIGAN - 1

In the Matter of the Petition of

For Designation as Eligible

47 U.S.C. §214(e)(2)

Intelligent Community Services, Inc.

Telecommunications Carrier Under

DOCKET NO. UT-053041

DECLARATION OF RICHARD A. FINNIGAN

- I, Richard A. Finnigan, hereby declare under penalty of perjury under the laws of the State of Washington that the following statements are true and correct:
- 1. I am the attorney for the Washington Independent Telecommunications Association (WITA) and Inland Telephone Company (Inland) in this docket and make this Declaration in that capacity.
- 2. When I discussed the responses to the Intelligent Community Services, Inc. (ICS) data requests with Mr. Kopta, I informed him that to my knowledge, WITA member companies did not keep their records in a way that would make it easily assessable to determine which locations were multi-tenant environments or MTEs. I further informed Mr. Kopta that it was illegal under FCC rules for any WITA member to have an arrangement where they were the exclusive provider

to an MTE. He stated that he wanted to know whether there were locations that because of the nature of the entrance facilities, it was physically possible for only a single carrier to serve that MTE. I told him that, in essence, what he is asking is for the companies to do actual surveys of their service areas in order to determine which locations were MTEs and which were not, and to determine the type of entrance facility and that would be very expensive and time consuming. I made this explanation in the express context of explaining why Data Request No. 2 was burdensome.

- 3. Attached to this Declaration as Attachment 1 is the May 5, 2008, letter from Mr. Jeff Tilleman as Vice-President/General Manager of Intelligent Community Services, Inc. to Greg Maras, Secretary of Inland Telephone Company.
- 4. Attached hereto as Attachment 2 is a true and correct copy of Inland's May 6, 2008, letter from Gregory Maras as Secretary of Inland Telephone Company to Jeff Tilleman as Vice-President and General Manager of Intelligent Community Services, Inc. responding to the letter of May 5, 2008.
- 5. During the course of negotiations between Inland and ICS, I have been the primary point of contact for Inland. ICS has never expressed a desire to access Inland's poles and conduits or Inland's fiber in any of the discussions about the interconnection agreement between Inland and ICS or in any other context of which I am aware.

Dated this 5 day of August, 2008.

RICHARD A. FINNIGAN

DECLARATION OF RICHARD A. FINNIGAN - 2

ATTACHMENT 1



May 5, 2008

Greg Maras Secretary Inland Telephone Company 103 South Second Street P.O. Box 171 Roslyn, WA 98941

Dear Mr. Maras:

This letter serves as a request to negotiate an interconnection agreement for the State of Washington pursuant to Sections 251 and 252 of the Telecommunications Act of 1996 ("Act") between Intelligent Community Services, Inc. ("ICS"), a local exchange carrier, and Inland Telephone Company ("Inland"), an incumbent local exchange carrier. ICS requests an interconnection agreement that encompasses the following carrier obligations in the Act and applicable rules and orders of the Federal Communications Commission and Washington Utilities and Transportation Commission: Section 251(a) interconnection; Section 251(b)(1) resale; Section 251(b)(2) number portability; Section 251(b)(3) dialing parity, including directory listings; Section 251(b)(5) reciprocal compensation; and 911/E911 connectivity. Enclosed is a draft interconnection agreement with the terms and conditions that ICS proposes as the starting point for the parties' negotiations.

If Inland considers itself to be a rural telephone company and exempt from the duty to negotiate the terms of an interconnection agreement pursuant to Sections 251(c)(1) and 252 of the Act, you should consider this to be a bona fide request for the interconnection and services specified in this letter pursuant to Section 251(f)(1)(A).

Please acknowledge receipt of this letter at your earliest convenience and inform me whether Inland will negotiate pursuant to the timelines and other requirements of Sections 251(c)(1) and 252 of the Act and, if so, Inland's point of contact for negotiations.

Very truly yours,

Jeff Tilleman

Vice President/General Manager

cc:

Richard Finnigan Gregory J. Kopta

ATTACHMENT 2

103 S. 2nd St. P.O. Box 171 Roslyn, WA 98941 INLAND TELEPHONE

Telephone: (509) 649-2211 Fax: (509) 649-3300

May 6, 2008

<u>Via Federal Express overnight delivery</u>

Jeff Tilleman Vice President/General Manager Intelligent Community Services, Inc. 9400 SW Beaverton-Hillsdale Hwy Suite 205 Beaverton, OR 97005

Re: ICS Letter of May 5, 2008

Dear Mr. Tilleman:

Your letter of May 5, 2008, was received by me via email on May 5, 2008, and via UPS delivery service on May 6, 2008. Your letter requested an interconnection agreement that encompasses certain items that you delineated in your letter of May 5, 2008. Your letter also asked that Inland inform you whether Inland will negotiate to the timelines and other requirements of Sections 251(c)(1) and 252 of the Telecommunications Act of 1996 (technically the Communications Act of 1934, as amended by the Telecommunications Act of 1996, together the ("Act"). First, Section 251(c)(1) does not contain any timelines. Second, the only timeline that I am aware of under Section 252 of the Act is a provision for an arbitration window. Inland's position is that your request does not trigger the arbitration provisions of Section 252.

Your letter of May 5, 2008, also makes the statement that if Inland considers itself to be a rural telephone company and exempt from the duty to negotiate the terms of an interconnection agreement pursuant to Sections 251(c)(1) and 252 of the Act, your letter should be considered a bona fide request for interconnection and services pursuant to Section 251(f)(1)(A). Inland is a rural telephone company as defined by the Act. Inland Telephone Company is also exempt from the duty to negotiate under Section 251(c)(1) of the Act. Having said that, however, and without waiving Inland's right to assert its rural exemption, I will point out that the exemption is for the obligations that occur under 251(c) of the Act, not 251(b) of the Act. Since your letter clearly requests only items under Section 251(a) and Section 251(b), Inland's rural exemption should not be at issue, unless and until ICS asserts that it may seek arbitration under Section 252 of the Act.

Without waiving its right to assert its rural exemption, Inland is willing to enter into voluntary discussions with ICS concerning the items requested in your letter, except one. You have requested "911/E911 connectivity" and have essentially asserted that 911/E911 connectivity is a carrier obligation in the Act. Until you can show some support for that statement, Inland has no intention of negotiating 911/E911 connectivity. The concept of 911/E911 connectivity is not

an item that falls under Section 251 or Section 252 of the Act. Obtaining 911 or E911 connectivity is an obligation of each carrier that is independent from interconnection and falls on each carrier to arrange with the appropriate public authorities. If you have some basis under the Act that you believe makes this an obligation for an interconnection arrangement, please bring that forward and Inland will evaluate it. Absent such support, that item will not be subject to discussion.

Inland's point of contact for discussions concerning the items that you have requested in your May 5, 2008, letter, of course excluding 911/E911 connectivity, is our attorney, Mr. Richard A. Finnigan. We have looked at our schedules and the earliest we could have an initial discussion is the week of June 2, 2008, due to vacation schedules and industry meetings in the intervening weeks. Please have the appropriate representative from ICS contact Mr. Finnigan to arrange a day and time to have our initial discussion.

Sincerely,

Jugny U. Mess Gregory A. Maras

Secretary

Cc: Richard A. Finnigan Gregory J. Kopta

EXHIBIT 2

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of the Petition of

Intelligent Community Services, Inc.

For Designation as Eligible Telecommunications Carrier Under 47 U.S.C. 214(e)(2) Docket No. UT-053041

ICS SUPPLEMENTAL COMPELLED RESPONSES TO WITA'S FIRST SET OF DATA REQUESTS

Intelligent Community Services, Inc. ("ICS") provides the following supplemental compelled responses to Washington Independent Telecommunications Association's ("WITA's") First Set of Data Requests.

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GENERAL OBJECTIONS

ICS objects to WITA's definitions and instructions to the extent that they seek to impose obligations exceeding those imposed by the Commission's Rules and Washington Rules of Civil Procedure. More specifically, ICS further objects to the definitions of "ICS" and "Suncadia" as overly broad and to the instruction to provide any information beyond the scope of this docket and not within ICS's possession, custody and control. ICS hereby incorporates these general objections into each of the specific supplemental responses provided below.

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SPECIFIC SUPPLEMENTAL COMPELLED RESPONSES

WUTC Docket No. UT-053041 ICS Supplemental Compelled Responses to WITA First Data Requests July 14, 2008

Data Request No. 1:

Is Suncadia willing to offer to Inland the contract that it has entered into with ICS simply substituting "Inland" for "ICS" and providing a more current date for the agreement? If no, please identify in detail all reasons why this is not an offer that Suncadia would make to Inland.

Response:

ICS objects to this request on the grounds that it requests speculation, rather than information, and improperly attempts to conduct contract negotiations through discovery. Subject to, and without waiver of, these objections, Suncadia is not making an offer to any carrier, but as Mr. Eisenberg states in his testimony, Suncadia is willing to enter into negotiations with any carrier that is genuinely interested in providing service to residents in the resort area in response to a legitimate request for such negotiations. Suncadia has received no such requests since executing its agreement with ICS.

Prepared by: Counsel (objections) and Paul Eisenberg

Date: June 10, 2008

Supplemental Compelled Response:

Suncadia is not willing to allow Inland or any other carrier to "opt in" to the agreement between Suncadia and ICS because the network Suncadia has constructed was designed for physical access by a single service provider. Suncadia has constructed a passive optical network ("PON") that consists of dark or "unlit" fiber strands. Suncadia has deployed only the fiber necessary to serve the residents and businesses in the resort area, and multiple customer locations are served by using a single strand of distribution fiber.

In the agreement between ICS and Suncadia, Suncadia owns the fiber distribution infrastructure and ICS owns the electronics and service extensions from the neighborhood vaults to the subscriber. It is not technically feasible for two different carriers to physically access the Suncadia distribution infrastructure because no more than one carrier can "light" any particular strand of dark fiber, and Suncadia has not deployed sufficient dark fiber for more than one carrier to have fiber dedicated to its use in serving customers within the resort area.

WUTC Docket No. UT-053041 ICS Supplemental Compelled Responses to WITA First Data Requests July 14, 2008

Suncadia is not willing to expend the resources that would be required to build duplicate facilities solely to allow a second service provider to have its own fiber to use to serve customers. Suncadia, however, is willing to permit another carrier to provide service within the resort area. Suncadia originally attempted to negotiate with Inland to be the carrier that had physical access to the Suncadia network, but Inland walked away from those negotiations. Suncadia subsequently negotiated and reached an agreement with ICS.

If Inland (or any other service provider) legitimately wants to offer service to Suncadia resort residents, Inland must access those customers by obtaining a virtual path to a subscriber via the electronics and additional network infrastructure provided by ICS. ICS has offered to provide Inland with such access, and those two carriers currently are negotiating the terms and conditions of an Interconnection Agreement which include Inland's ability to provide telecommunications service in the Suncadia resort area.

Prepared by: Paul Eisenberg and Keith Southard

Date: July 14, 2008

As to objections:

INTELLIGENT COMMUNITY SERVICES, INC.

By: Gregory J. Kopta

WSBA No. 20519

Davis Wright Tremaine LLP 1201 Third Avenue, Suite 2200 Seattle, WA 98101-3045

CERTIFICATE OF SERVICE UT-053041

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I certify that I have this day served the attached Response to ICS Motion to Compel WITA and Inland to Respond to Data Requests upon all parties of record in this proceeding by sending a copy by electronic mail and U.S. mail, unless otherwise specified, to the following parties or attorneys of parties:

Jeff Tilleman

Harold Grover President Intelligent Community Services, Inc. 9400 SW Beaverton Hillsdale Hwy #205 Beaverton, OR 97005-3362

Portland, OR 97209 iefft@icsemail.net VIA E-MAIL ONLY

Gregory T. Kopta Davis Wright Tremaine LLP 1201 Third Avenue Ste 2200 Seattle, WA 98101-3045 gregkopta@dwt.com

Jennifer Cameron-Rulkowski Assistant Attorney General Office of the Attorney General 1400 South Evergreen Park Drive SW Olympia, WA 98504-0128 jcameron@utc.wa.gov

Vice President/General Manager

1200 NW Naito Pkwy Ste 200

Intelligent Community Services, Inc.

VIA E-MAIL AND HAND DELIVERY

I also certify that I have this day served the attached Response to ICS Motion to Compel WITA and Inland to Respond to Data Requests by e-mail and hand delivery to the following:

WUTC Records Center 1300 South Evergreen Park Drive SW Olympia, WA 98504-7250 records@utc.wa.gov

Dated at Olympia, WA this 5th day of August, 2008.

CERTIFICATE OF SERVICE - 1